

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND FAMILY SERVICES
DIVISION OF MANAGEMENT & TECHNOLOGY
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Section 8--Capital Assets 4.0	EFFECTIVE DATE: 5/6/89
TITLE: Year-End Capital Asset Reporting	REVISION DATE: 9/24/04
AUTHORIZED BY: Cheryl Thompson, Financial Manager	PAGE 1 OF 9

POLICY (Reporting Requirements and Deadlines)

In order to meet various deadlines imposed on Bureau of Fiscal Services, it is important that all Department of Health and Family Services (DHFS) Organizations submit their June 30th inventory package for each year no later than August 1st.

PROCEDURES

1. Bureau of Fiscal Services (BFS) Special Services & Financial Statements (SSFS) will provide an Inventory Listing from the Microsoft Access Capital Asset Database to DHFS organizations by June 1st. The Inventory Listing is the basis for completing the physical inventory. The physical inventory must be completed by June 30th. See [Section 8-Capital Assets 1.04](#) (Annual Physical Inventory) for additional information.
2. All organizations are required to submit their June 30th inventory package to **BFS/SSFS by August 1st**. The inventory package should include the following:
 - a) Physical Inventory Certification - Organizations are required to submit a Physical and Capital Inventory Compliance Certification (DMT-464) (Attachment 1). See [Section 8-Capital Assets 1.04](#) (Annual Physical Inventory) for additional information on the physical inventory requirements.
 - b) New Assets - Organizations are required to submit a New Capital Asset Record (DMT-962) (see Attachment 2-two pages) to BFS/SSFS for each new acquisition over \$5,000. The second page of New Capital Asset Record (DMT-962) has a description for each item on the form. If a purchase is funded from more than one appropriation, all funding sources should be reflected in the capital asset records.

All land should also be recorded in the same manner as other assets.

Information Technology (IT) assets with an acquisition cost over \$5,000 must be entered into both the Microsoft Access Capital Asset Database and the Information Technology System called Service Center-Resource Management System (RMS). See [Section 8-Capital Assets 1.03](#) (Accounting Procedures for IT (Information Technology) Assets).

Assets should be tagged with identification numbers where feasible.

See [Section 8–Capital Assets 1.01](#) (Accounting Procedures for Capital Assets (Cost \$5,000 and over)) for information on required attributes, useful lives, depreciation, configurations, and capital leases.

- c) **Asset Changes** - If there are any changes to the information already entered in the Microsoft Access Capital Asset Database, a Capital Asset Changes/Deletion Record (DMT-963) (Attachment 3--two pages) should be completed and submitted to BFS/SSFS. The second page of Capital Asset Changes/Deletion Record (DMT-963) has a description for each item on the form.

Changes to capital IT asset information should complete a Capital Asset Changes/Deletion Record (DMT-963) to change the Microsoft Access Capital Asset Database and also all DHFS organizations must make the changes directly in RMS.

- d) **Asset Deletions** - Organizations should complete a Capital Asset Changes/Deletion Record (DMT-963) (Attachment 3--two pages) for all capital asset disposals. See APP [Section 8–Capital Assets 5.0](#) (Disposition of State-Owned Equipment) for additional guidance on state-owned disposals.

See [Section 8–Capital Assets 1.01](#) (Accounting Procedures for Capital Assets (Cost \$5,000 and over)) for additional information on trade-ins, fully depreciated assets, asset transfers from other agencies, and transfers between organizations.

- 3. After the inventory packages are submitted, BFS/SSFS will make the required changes to the Microsoft Access Capital asset Database, calculate depreciation and prepare/distribute the year-end capital asset reports.

BFS/SSFS with the assistance of the organizations is required to complete the Capital Asset Summary (DMT-462) (See Attachment 4).

ATTACHMENTS

- 1. Physical and Capital Inventory Compliance Certification (DMT-464) <http://www.dhfs.state.wi.us/forms/dmt/dmt0464.doc>
- 2. New Capital Asset Record (DMT-962) (2 pages) <http://www.dhfs.state.wi.us/forms/dmt/dmt0962.doc>
- 3. Capital Asset Changes/Deletion Record (DMT-963) (2 pages) <http://www.dhfs.state.wi.us/forms/dmt/dmt0963.doc>
- 4. Capital Asset Summary (DMT-462) <http://www.dhfs.state.wi.us/forms/dmt/dmt0462.doc>

REFERENCES

- [DHFS APP Section 8–Capital Assets 1.01](#) (Accounting Procedures for Capital Assets (Cost \$5,000 and over))
- [DHFS APP Section 8–Capital Assets 1.03](#) (Accounting Procedures for IT (Information Technology) Assets)
- [DHFS APP Section 8–Capital Assets 1.04](#) (Annual Physical Inventory)
- [DHFS APP Section 8–Capital Assets 5.0](#) (Disposition of State-Owned Equipment)

CONTACTS

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DEPARTMENT OF HEALTH AND FAMILY SERVICES

Division of Management and Technology

DMT-464 (Rev. 5/02)

STATE OF WISCONSIN**PHYSICAL AND CAPITAL INVENTORY COMPLIANCE CERTIFICATION****INSTRUCTIONS:** Complete, sign, date and return this certification with all necessary documentation to the Bureau of Fiscal Services by August 1.**ALL NEGATIVE RESPONSES MUST HAVE DETAILED WRITTEN JUSTIFICATION ATTACHED.**

Report Type <input type="checkbox"/> Division <input type="checkbox"/> Institution		Name – Organization	Date of Physical Inventory	The physical inventory included verification procedures adequate to ensure that the attached inventory records are accurate and in compliance with the APP Fixed Assets, 1.04 and other applicable regulations.
YES	NO	INSTITUTIONS AND DIVISIONS ANSWER AND CERTIFY QUESTIONS 1 THROUGH 7.		
		1. An independent physical inventory has been conducted.		
		2. All changes of attributes to existing assets including location have been submitted to BFS.		
		3. All additions and the required attributes have been reported to BFS.		
		4. All transfers-in and transfers-out have been submitted to BFS.		
		5. All donations, federal equipment and non-FMS purchases have been sent to BFS.		
		6. Leasehold improvements and other betterments have been reported to BFS.		
		7. All deletions have been submitted to BFS.		
		ONLY INSTITUTIONS ANSWER AND CERTIFY TO THE FOLLOWING QUESTIONS		
		8. All buildings and land improvements are recorded as assets.		
		9. All closed construction projects have been capitalized according to percentages provided by BFS.		
		10. Canteen purchases of capital equipment for the benefit of the institution have been reported as Institution assets.		
		11. Capital purchases for canteen operations have been recorded as canteen assets.		

I am not aware of any unrecorded assets, material inaccuracies, or lack of adequate physical control over assets. I certify that all information given, including accompanying documentation, to the best of my knowledge and belief, is true, correct and complete.

SIGNATURE – Division Management Director or Designee OR Institution Management Services Director or Designee	Date Signed
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NEW CAPITAL ASSET RECORD

Refer to Page 2 for Item Descriptions

Asset ID	Asset Description	In-Service Date / Acquisition Date
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How Asset was Acquired – Complete one line	
<input type="checkbox"/> Purchased	Vendor Name:
<input type="checkbox"/> DOA Project	DOA Project Number:
<input type="checkbox"/> Leased	Vendor Name:
<input type="checkbox"/> Gift / Donation	
<input type="checkbox"/> Warranty Trade-In	Old Asset ID:
<input type="checkbox"/> Transferred-In	From Where:
<input type="checkbox"/> Other	Explain:

Asset Type – Choose one	AHA Table No.*
<input type="checkbox"/> Building	2
<input type="checkbox"/> Building Improvement	3, 4 or 5
<input type="checkbox"/> Equipment	6, 7, 8 or 9
<input type="checkbox"/> Furniture	6, 7 or 9
<input type="checkbox"/> Land	0
<input type="checkbox"/> Land Improvement	1
<input type="checkbox"/> Vehicle	9
<input type="checkbox"/> Capital Lease – Equipment	6, 7, 8 or 9

Funding Source	Appr	Account Class	Project	RA	Amount	Voucher Number	Voucher Date
1							
Use this space ONLY if item is split funded. 2							
Use this space ONLY if item is split funded. 3							

Organization	Location Code	Floor	AHA Table No.*	Life
Serial Number	Manufacturer	Model Number	PO Number	

*AHA Table No. is for Institutes / Centers only.

I am not aware of any inaccuracies, or lack of physical control over the above fixed asset. I certify that all information given, including accompanying documentation, to the best of my knowledge and belief, is true, correct and complete.		
SIGNATURE – Division Fiscal Liaison or Designee <u>OR</u> Institution Management Services Director or Designee	Telephone No.	Date Signed

DHFS New Capital Asset Record - Item Descriptions

Name	Description
Asset ID	The assigned inventory equipment number (i.e. tag number, barcode number, etc.)
Asset Description	Description of the item added.
In-Service Date/ Acquisition Date	The date the item is paid for and put into use.
How Asset was Acquired	Mark the appropriate box and then complete the remaining line.
Purchased	If the asset is purchased, mark the box and enter the vender name.
DOA Project	If the asset is acquired through a DOA Capital Asset Project, mark the box and enter the project number.
Leased	If the asset is acquired through a capital lease, mark the box and complete the vendor name.
Gift / Donation	If the asset is acquired through a gift / donation, mark the box.
Warranty Trade-in	If the asset is acquired through a warranty trade-in, mark the box and write-in the old asset ID.
Transferred-In	If the asset was transferred-in, mark the box and write-in where the asset was transferred-in from.
Other	If the asset was acquired through other means, mark the box and explain.
Asset Type	Mark the box next to the type of capital asset acquired. The AHA table(s) No. is a reference for the institutions/centers only.
Funding Source	Enter the funding source or sources for the asset.
Appr	The appropriation funding the purchase. For DOA Projects use AGF.
Account Class	The capital account class being charged for the purchase.
Project	Enter the project funding the purchase.
RA	Enter the responsibility area (section) funding the purchase.
Amount	The cost of the asset as shown on the invoice including shipping and installation.
Voucher Number	The BFS assigned voucher number associated with the purchase.
Voucher Date	The date the equipment is paid for.
Organization	The organization (division or institution) that owns the capital asset.
Location Code	Four-digit location code associated with the item's location.
Floor	Room number the item is located in if applicable (i.e. RM112, FL02, STE100)
AHA Table No.	For Institutions/Centers only. Enter the AHA Table No. the capital asset is associated with.
Life	Useful life of item determined from the AHA Tables (Institutions / Centers) or from the APP– Section 8, Fixed Assets 1.01 (all other divisions)
Serial Number	Serial number listed on the equipment, if applicable.
Manufacturer	Name of manufacturer of item, if applicable.
Model Number	Model number of item, if applicable.
PO Number	Purchase Order Number.

CAPITAL ASSET CHANGES / DELETION RECORD

Refer to Page 2 for Item Descriptions

Asset ID	Asset Description
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Action Being Taken – Complete one

<input type="checkbox"/> Transfer to Another Agency	Transfer Date:	Include DMT-476
<input type="checkbox"/> Sale of Asset	Selling Price:	Sale Date:
	Accounting string booked proceeds to:	
<input type="checkbox"/> Lost or Stolen Item	Loss Date:	Include memo regarding
<input type="checkbox"/> Sent to Surplus or Disposal	Surplus / Disposal Date:	Include DOA-3178 or memo
<input type="checkbox"/> Termination of Capital Lease	Termination Date:	
<input type="checkbox"/> Asset Returned	Return Date:	
<input type="checkbox"/> Donation of Asset	Donation Date:	Include detail memo
<input type="checkbox"/> Trade-In	Trade-In Date:	Include detail memo
<input type="checkbox"/> Other - Specify:		Date:
<input type="checkbox"/> Changes to Asset information	Make the necessary changes below	

Asset Information Changes

Asset ID		Asset Description				In-Service Date	
Type	Appr	Account Class		Project	RA	Amount	
Organization		Location Code		Floor	AHA Table No.*		Life
Serial Number		Manufacturer			Model Number		PO Number

*AHA Table No. is for Institutes / Centers only.

SIGNATURE – Division Fiscal Liaison or Designee <u>OR</u> Institution Management Services Director or Designee	Telephone No.	Date Signed
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DHFS Capital Asset Changes / Deletions Record - Item Descriptions

Item Name	Description
Asset ID	The assigned inventory equipment number (i.e. tag number, barcode number, etc.)
Asset Description	Description of the item purchased.
Action Being Taken	Mark the appropriate box and then complete the remaining line or lines.
Transfer to Another Agency	If the asset was transferred to another agency, mark the box and fill-in the transfer date. Also attach the form DMS 476 that can be found in APP Section 8, 1.01-Accounting Procedures for Capital Assets.
Sale of Asset	If the asset was sold, mark the box and complete the selling price, sale date, and the accounting string where the proceeds are booked in the system.
Lost or Stolen Item	If the asset was lost or stolen, mark the box, complete the date of loss and attach a memo explaining the loss or theft. Be sure to include in the memo if there is any insurance proceeds.
Sent to Surplus or Disposal	If the asset was sent to surplus or disposed, then mark the box, and include DOA 3178 (See APP Section 8, 5.0 – Disposition of State-Owned Equipment) or a memo.
Termination of Capital Lease	If there was a capital lease terminated, then mark the box and fill-in the date of termination.
Asset Returned	If the asset was returned, mark the box and complete the date of return.
Donation of Asset	If it was decided to donate the asset, then mark the box, complete the date of donation and include a detailed memo.
Trade-In	If the asset was traded-in for something else then mark the box, complete the date of trade-in and include a detailed memo.
Other	If there is another change / deletion not on the report, then include a description and the date.
Asset Information Changes	If the asset record needs to be changed, make any changes below.

Asset ID	The assigned inventory equipment number (i.e. tag number, barcode number, etc.)
Asset Description	Description of the item added.
In-Service Date/ Acquisition Date	The date the item is paid for and put into use.
Type	The type of capital asset acquired.
Appr	The appropriation funding the purchase. For DOA Projects use AGF.
Account Class	The capital account class being charged for the purchase.
Project	Enter the project funding the purchase.
RA	Enter the responsibility area (section) funding the purchase.
Amount	The cost of the asset as shown on the invoice including shipping and installation.
Organization	The organization (division or institution) that owns the capital asset.
Location Code	Four-digit location code associated with the item's location.
Floor	Room number the item is located in if applicable (i.e. RM112, FL02, STE100)
AHA Table No.	For Institutions / Centers only. Enter the AHA Table No. the capital asset is associated with.
Life	Useful life of item determined from the AHA Tables (Institutions / Centers) or from the APP– Section 8, Fixed Assets 1.01 (all other divisions)
Serial Number	Serial number listed on the equipment, if applicable.
Manufacturer	Name of manufacturer of item, if applicable.
Model Number	Model number of item, if applicable.
PO Number	Purchase Order Number.

CAPITAL ASSET SUMMARY

		Reporting Period Ending	
Organization		Prepared By – Name	
DESCRIPTION	FEDERAL APPROPRIATIONS	NON – FEDERAL APPROPRIATIONS	TOTAL
1. Prior Year Ending Balance			
Adjustments to Prior Year			
Current Year Adjusted Beginning Balance			
2. Additions – FMS Capital Expenditures			
a. Total FMS Capital Expenditures			
b. Revenue received from sale of capital items, netted with FMS Capital Expenditures.			
c. Other Capital Expenditure Credits in 2a not on Capital Inventory.			
d. SUBTRACT Incorrect Capital Expenditure Code on Voucher, should be Non-Capital Expenditure Code			
e. SUBTRACT Other Capital Expenditure Debits in 2a, not on Capital Inventory			
Net FMS Additions (2a – e)			
3. Additions – Non-FMS Capital Expenditures			
a. Donations (at FMV)			
b. Trade-in Value Applied to Purchase Price			
c. Closing of State Building Projects			
d. R & M Special and Regular Projects			
e. Incorrect Expense Account Code on Voucher, should be Capital Expenditure			
f. Correction of Prior Year purchase			
g. Other – Explain:			
Total Other Additions (3a – g)			
Total Additions	Line 2 PLUS Line 3		
4. Deletions			
a. Discards / Surplus / Sales / Trade-Ins			
b. Other – Explain:			
Total Deletions (4a-b)			
5. Current Year Ending Balance			
Line 1 PLUS Line 2 Plus Line 3 Minus Line 4			